

106TH CONGRESS  
2D SESSION

# H. R. 4356

To amend title XVIII of the Social Security Act to provide additional protections for Medicare beneficiaries under the Medicare+Choice Program.

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## IN THE HOUSE OF REPRESENTATIVES

MAY 2, 2000

Mr. LATOURETTE introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To amend title XVIII of the Social Security Act to provide additional protections for Medicare beneficiaries under the Medicare+Choice Program.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Senior Health Insur-  
5 ance Pull Out Prevention Act of 2000”.

1 **SEC. 2. EXTENSION OF INITIAL MEDICARE+CHOICE CON-**  
2 **TRACT PERIOD TO 3 YEARS.**

3 (a) IN GENERAL.—Section 1857(c)(1) of the Social  
4 Security Act (42 U.S.C. 1395w–27(c)(1)) is amended—

5 (1) by striking “a term of at least 1 year” and  
6 inserting “an initial term of at least 3 years”; and

7 (2) by striking “from term to term” and insert-  
8 ing “for additional 1-year periods thereafter”.

9 (b) EFFECTIVE DATE.—The amendments made by  
10 subsection (a) apply to contracts entered into on or after  
11 the date of the enactment of this Act.

12 **SEC. 3. ADVANCE NOTICE OF TERMINATION.**

13 (a) REQUIRING 1 YEAR ADVANCE NOTICE BY  
14 MEDICARE+CHOICE ORGANIZATION.—Section 1857(c)(1)  
15 of the Social Security Act (42 U.S.C. 1395w–27(c)(1)) is  
16 amended by striking “by either party of intention to termi-  
17 nate at the end of the current term” and inserting “by  
18 the Secretary before the end of the current term or by  
19 the organization at least one year before the end of the  
20 current term”.

21 (b) TIMELY NOTIFICATION OF BENEFICIARIES OF  
22 PHYSICIAN TERMINATIONS.—Section 1852(j) of such Act  
23 Social Security Act (42 U.S.C. 1395w–22(j)) is  
24 amended—

25 (1) in paragraph (1)—

1 (A) by striking “and” at the end of sub-  
2 paragraph (B);

3 (B) by striking the period at the end of  
4 subparagraph (C) and inserting “, and”; and

5 (C) by adding at the end the following new  
6 subparagraph:

7 “(D) termination procedures consistent  
8 with paragraph (7).”; and

9 (2) by adding at the end the following new  
10 paragraph:

11 “(7) **TIMELY NOTICE OF PHYSICIAN TERMI-**  
12 **NATIONS.**—Under an agreement described in para-  
13 graph (1) between a Medicare+Choice organization  
14 and a physician (or group of physicians)—

15 “(A) the agreement shall be automatically  
16 renewable between the parties unless there has  
17 been notice by the physician or group to the  
18 plan (or by the plan to the physician or group)  
19 at least 120 days before the date the agreement  
20 would otherwise expire; and

21 “(B) in the case such an agreement is not  
22 renewed, the physician or group of physicians  
23 shall provide notice at least 90 days before such  
24 expiration date to enrollees who are  
25 Medicare+Choice enrollees and are current pa-

1           tients (as defined in regulations) of the physi-  
 2           cian or group at the time of the notice provided  
 3           under clause (i).”.

4           (c) EFFECTIVE DATE.—The amendments made by  
 5 this section apply—

6           (1) to contracts between the Secretary and  
 7 Medicare+Choice organizations entered into more  
 8 than 6 months after the date of the enactment of  
 9 this Act; and

10          (2) to agreements between Medicare+Choice  
 11 organizations and physicians (and groups of physi-  
 12 cians) with respect to expirations of such agreements  
 13 occurring after the end of the 9-month period begin-  
 14 ning on the date of the enactment of this Act.

15 **SEC. 4. RESTRICTION ON TERMINATION OF**  
 16 **MEDICARE+CHOICE PLANS IN SELECTED**  
 17 **AREAS WITHIN A METROPOLITAN STATIS-**  
 18 **TICAL AREA.**

19          (a) IN GENERAL.—Section 1857(c) of the Social Se-  
 20 curity Act (42 U.S.C. 1395w–27(c)) is amended by redес-  
 21 ignating paragraph (5) as paragraph (6) and by inserting  
 22 after paragraph (4) the following new paragraph:

23           “(5) LIMITATION ON SELECTIVE TERMINATION  
 24           OF CONTRACTS.—

1           “(A) IN GENERAL.—Except as provided in  
2           subparagraph (B), if a Medicare+Choice orga-  
3           nization offers a Medicare+Choice plan that  
4           provides coverage in a metropolitan statistical  
5           area (or a New England County Metropolitan  
6           Area) in a State and terminates such coverage  
7           for any part of such area (or Area) in the  
8           State, the Secretary shall terminate any con-  
9           tract with the organization for coverage of any  
10          part of that area (or Area) in that State.

11          “(B) EXCEPTION.—The Secretary may  
12          waive the requirement of subparagraph (A) if  
13          the Secretary finds that terminating contracts  
14          for coverage in all parts of a metropolitan sta-  
15          tistical area (or New England County Metro-  
16          politan Area) in the State would pose an immi-  
17          nent and serious risk to the health of individ-  
18          uals enrolled with the organization under this  
19          part in the area (or Area).”.

20          (b) EFFECTIVE DATE.—The amendments made by  
21          subsection (a) apply to terminations for which notice is  
22          provided on or after the date of the enactment of this Act.

1 **SEC. 5. CONTINUITY OF CARE IN CASE OF INVOLUNTARY**  
2 **TERMINATION.**

3 (a) IN GENERAL.—Section 1852(d) of the Social Se-  
4 curity Act (42 U.S.C. 1395w-22(d)) is amended by adding  
5 at the end the following new paragraph:

6 “(5) CONTINUITY OF CARE.—

7 “(A) IN GENERAL.—If—

8 “(i) an individual’s enrollment with a  
9 Medicare+Choice plan offered by a  
10 Medicare+Choice organization under this  
11 part is terminated by the organization  
12 (other than for cause with respect to that  
13 individual), and

14 “(ii) on the effective date of such ter-  
15 mination of enrollment the individual is in  
16 a course of treatment for which coverage is  
17 available under the plan and the individual  
18 is not at that time covered under another  
19 Medicare+Choice plan,

20 notwithstanding such termination the organiza-  
21 tion shall continue to provide coverage for the  
22 covered course of treatment for a period of 90  
23 days after such effective date.

24 “(B) PERMISSIBLE TERMS AND CONDI-  
25 TIONS.—The coverage provided under subpara-  
26 graph (A) shall be under the same terms and

1 conditions (including applicable policies, proce-  
2 dures, and quality assurance standards) as ex-  
3 isted on the date before the effective date of the  
4 termination.

5 “(C) TERMINATE DEFINED.—In this para-  
6 graph, the term ‘terminate’ includes the termi-  
7 nation of a Medicare+Choice plan as a result  
8 of the expiration or nonrenewal of a contract by  
9 the organization under this part.

10 “(D) CONSTRUCTION.—Nothing in this  
11 paragraph shall be construed to require the cov-  
12 erage of benefits which would not have been  
13 covered on the effective date of the termination  
14 involved.”.

15 (b) EFFECTIVE DATE.—The amendment made by  
16 subsection (a) shall apply to contracts entered into or re-  
17 newed on or after the date of the enactment of this Act.

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